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July 8, 2014

Via E-mail

Hon. Lorna G. Schofield
Thurgood Marshall United States Courthouse
40 Foley Square
New York, NY 10007

Re: United States v. BNP Paribas S.A., 14 Cr. (LGS)

Dear Judge Schofield:

This letter is respectfully submitted in response to the Court's July 7, 2014 order requesting various information regarding BNP Paribas S.A. ("BNPP" or the "Bank") and its legal and financial ability to enter into the proposed plea agreement ("Plea Agreement"), among other documents, with the United States Department of Justice. Each of the requests is addressed below.

Request 1

In response to request 1(a), which requests "[d]ocuments evidencing the authority conferred on the Board of Directors of [BNPP] including the relevant provisions of the Articles of Association of BNPP and the French Commercial Code (*Code de Commerce*), to consent to the proposed Plea Agreement, Waiver of Indictment and Stipulated Preliminary Order of Forfeiture/Money Judgment, admit to the Statement of Facts and plead guilty to the specified charge, we have attached Article L. 225-35 of the French Commercial Code which states that:

The board of directors determines the broad lines of the company's business activities and ensures their implementation. Without prejudice to the powers expressly invested in meetings of the shareholders, and within the limit of the corporate purpose, *it deals with all matters relating to the conduct of the company's business and decides all pertinent issues through its deliberations.*

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(Emphasis added.) (Attached hereto in English¹ and French as Exhibit A.)

In addition, Article 12 of BNPP's Articles of Association contains a similar provision, which states in relevant part:

The Board [of directors] shall handle any issue concerning the smooth running of [BNPP] and settle matters concerning the [Bank] pursuant to its deliberations. (Attached hereto as Exhibit B (English), and Exhibit C (French).)

In response to request 1(b), requesting similar documents evidencing the authority conferred on the Board of Directors to "delegate said authority to the individuals named in the Limited Certificate of Corporate Resolution appended to the Proposed Plea Agreement," we refer the Court to the same provisions of the French Commercial Code and BNPP's Articles of Association cited above. In addition, we have attached Article L. 225-56 of the French Commercial Code which states in relevant part that:

The general manager shall be invested with the most extensive powers to act on behalf of the company in all circumstances. . . . He shall represent the company in its dealings with third parties. (Attached hereto in English and French as Exhibit D.)

In addition, Article 15 of BNPP's Articles of Association contains a similar provision which states in relevant part:

The Chief Executive Officer shall be vested with the broadest powers to act in all circumstances in the name of [BNPP]. . . . He shall represent [BNPP] in its dealings with third parties. (Exhibits B and C.)

The Bank believes that these provisions of the French Commercial Code and the Bank's Articles of Association fully empower the Board of Directors to consent to the proposed Plea Agreement, Waiver of Indictment and Stipulated Preliminary Order of Forfeiture/Money Judgment, admit to the Statement of Facts and plead guilty to the specified charge, and that BNPP's Chief Executive Officer, Jean-Laurent Bonnafé is fully empowered both to act on behalf of the Bank, and to delegate his powers to Georges

¹ English translations of the French Commercial Code and BNPP's Articles of Association are unofficial translations.

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Dirani. Mr. Dirani signed the Plea Agreement on behalf of the Bank, and will be appearing before the Court as the Bank's representative on July 9, 2014.

Request 2

In response to request 2, the Autorité de Contrôle Prudentiel et de Résolution ("ACPR"), the Bank's home country regulator, which oversees the Bank, confirmed BNPP's financial ability to pay the forfeiture amount in the ACPR's press release dated June 30, 2014, which states that "ACPR, as the home supervisor of BNP Paribas, has examined the situation of BNP Paribas and has concluded that BNP Paribas Group has a solid solvency and liquidity position, which will allow it to absorb the anticipated consequences of these sanctions." (Attached hereto in English (Exhibit E) and French (Exhibit F).) The Bank believes that the ACPR is in a good position to independently assess the Bank's financial ability to pay the forfeiture amount.

Respectfully submitted,

KPSeymour

Karen Patton Seymour

Maura Miller

(Attachments)

cc: Andrew Goldstein
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